

State of Arizona

Janice K. Brewer Governor Office of the Governor 1700 West Washington Street, Phoenix, AZ 85007

CONTACT: Ann Dockendorff

(602) 542-7029

ADockendorff@az.gov

Main Phone: 602-542-4331

Facsimile: 602-542-7601

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Federal Government Shutdown Forces TANF Program Shortfall

Governor Brewer orders DES to redirect \$650K to assist remaining needy families through October

PHOENIX – In light of the recent shutdown of the federal government, Governor Jan Brewer today ordered the Arizona Department of Economic Security (DES) to redirect \$650,000 from within its budget to support the federal Temporary Assistance for Needy Families (TANF) program through October 31.

According to DES, approximately 13,300 – or about 80 percent – of these families were already paid their monthly benefit by October 2. With the federal shutdown, funding of cash assistance dried up for the remaining 3,200 families.

"Since the initial threat of a federal government shutdown, my primary concern has been how critical federal programs aimed at assisting Arizona's most vulnerable families would be impacted, and whether the state could afford the costs to cover until the deadlock in DC ended," said Governor Brewer. "I have instructed DES to redirect funds to cover the remaining TANF beneficiaries who did not already receive a monthly benefit through the end of October, so that more than 3,000 needy and low-income Arizona families continue to receive their much-needed cash assistance."

Approximately 16,500 Arizona families – which include 27,545 children – currently receive cash assistance through TANF, a federal program that provides temporary financial assistance for Arizona's most in-need and vulnerable. Due to the federal government shutdown, the funding source for TANF cash assistance expired September 30. As a result, Arizona, one of only 11 states to use only federal money to operate the program, did not have funding available to support TANF after October 2. The Governor's direction to DES will ensure these families receive their support retroactively through the end of October.

The consequences to Arizona's vulnerable families will be dire if the federal government shutdown is not resolved by November. In addition to the tens of thousands of Arizonans who will be without TANF assistance, more than 1.1 million others will be dropped from the federal Supplemental Nutrition Assistance Program (SNAP), commonly known as the food stamp program. Further, child care subsidies will no longer be provided for approximately 26,000 Arizona children, resulting in the loss of critical child care assistance that allows families to remain gainfully employed while ensuring a safe environment for their children.

"If the federal government remains at a stalemate come November, Arizona may be faced with catastrophic budgetary challenges and choices as we figure out how to salvage TANF and other critical programs," Governor Brewer added. "The failure of leadership in Washington is placing a heavy burden on our

state, our core services and our citizens most in-need. Simply put, Arizona cannot afford to pay the federal government's bills. It's well past time that President Obama begins to negotiate with both parties in Congress in order to resolve the budget impasse and end the shutdown immediately."

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